

**MINUTES OF THE ILLINOIS WORKERS' COMPENSATION MEDICA FEE
ADVISORY BOARD MEETING
THOMPSON CENTER, 100 WEST RANDPOLH STREET – ORAL ARGUMENT ROOM
HELD ON SEPTEMBER 20, 2011 9:00 AM**

Present at the meeting were:

Chairman Mitch Weisz
Mr. Bill McAndrew, IL Hospital Association
Ms. Barb Molloy, Molloy Consulting
Mr. John Smolk, United Airlines
Dr. Michael Vender, Hand Surgery Associates
Mr. Jason Keller, Illinois AFL-CIO
Ms. Diane McGuire, College of DuPage Board of Trustees
Dr. Avi Bernstein, The Spine Center

Participating Via Conference Call

Ms. Kimberly Moreland, Rising Medical Solutions

IWCC staff present at the meeting were:

Ms. Kimberly Janas, Secretary
Mr. Darrell Widen, Assistant General Counsel
Mr. Glen Boyle, Project Manager
Ms. Sue Piha, IWCC Manager for Research and Education
Mr. Robert Devereaux, Fraud Prevention & Efficiency Control

Also Present:

Ms. Elizabeth Kerr, HFN
Mr. Michael Blixen, HFN
Mr. Thomas Zenos, Rising Medical Solutions
Mr. Darren Stahulak, Covet Healthcare Corporation
Mr. David Menchetti, Lawyer
Mr. Jeff Rogers, ATI
Mr. Tom Suffredin, Chicago Bar Association.
Ms. Valerie McGregor, Stratacare.
Ms. Liz Jeltema, Consultant
Mr. Tim O'Connell, Automated Healthcare Solutions
Ms. Terri Robinson, NCCI
Ms. Cyndy Novak, Medtronic
Ms. Ann Bresnen, Orthocentrix

Chairman Mitch Weisz called the meeting of the Medical Fee Advisory Board to order at 9:00 am. Upon motion made by Mr. Smolk, seconded by Ms. Moreland, and unanimously carried, the minutes of the Medical Fee Advisory Board meeting held August 23, 2011 were approved.

Chairman Weisz welcomed the new members of the Board and had each of the members introduce themselves.

Glen Boyle, the Commission consultant for the Medical Fee Schedule, provided the Board with a presentation comparing reimbursement rates created by using two different methodologies for collapsing the Geozips of the current Medical Fee Schedule. Mr. Boyle presented data to the Board, that examined 30 high frequency medical billing codes and then set forth the difference in reimbursement rates when that code was subject to the weighting by population versus a straight average for the reduction of the Geozips. Overall, Mr. Boyle concluded that the weighted approach produces higher reimbursement rates on average than a straight average approach. Mr. Boyle's data included reimbursement rates from both the Hospital and Non-Hospital zones implemented by Public Act 97-18.

There was a general discussion by the Board regarding whether the reorganization of the Geozips was intended to create an additional reduction in the Medical Fee Schedule reimbursement rates or whether Public Act 97-18 simply imposed a 30% overall reduction to medical costs. The Board also discussed how the reorganization of the Geozips could result in an increase in certain reimbursement rates above the rate the procedure was billed at before the implementation of the 30% reduction to the Medical Fee Schedule which occurred on September 1, 2011.

Ms. Molloy presented an analysis to the members of the Board which compared reimbursement rates for the pre-September 1, 2011 reimbursement amounts, the post- September 1, 2011 amounts, and then the amount of the reimbursement once the Geozips have been collapsed using the population-weighted methodology. This analysis revealed that some reimbursement rates for particular codes may end up being higher than the rate before the institution of the reform.

The Board continued its discussion of the two different methodologies for collapsing the current Geozips. Other topics discussed included the possibility of trailer legislation, access-to-care issues if the resulting combination of Geozips yields low reimbursement rates in certain areas, and also previous inquiries into reducing the amount of Geozips in order to eliminate reimbursement anomalies and fill in gaps in the Medical Fee Schedule that could only be billed through the default percentage rate.

Chairman Weisz noted that the General Assembly has mandated the collapsing of the Geozips and that the dramatic deviations from the 30% overall reduction appear to occur in less populated areas and consequently, where there is less overall utilization of a medical reimbursement code. The Board concluded its discussion of the two methodologies by noting that there may need to be some public outreach to explain why the reimbursement rates for some codes has now increased after the September 1, 2011 reduction and the reorganization of the Geozips.

There was a motion made by Mr. McAndrew for the recommendation of utilizing the population-weighted approach to reorganizing the Geozips. After the motion, the Medical Fee Advisory Board stood at ease for a five minute recess.

After the recess, there was a second on Mr. McAndrew's outstanding motion by Ms. McGuire. A roll call vote was taken. Five members of the Board voted in the affirmative: Mr. Keller, Ms. McGuire, Dr. Bernstein, Mr. McAndrew, and Dr. Vender. Three members of the Board voted against the motion: Ms. Molloy, Ms. Moreland, and Mr. Smolk. With 5 members voting yes and 3 member voting no, the Chairman recognized that the motion carried and the recommendation of the Board is to collapse the Geozips using the population-weighted averaging approach.

The next item of business discussed by the Board was a draft form created by the Commission which informs injured workers of their rights and obligations if their employer has established a Preferred Provider Program or PPP. Several suggested changes to this draft form were offered by the Board, including adding a specific phrase to the form indicating that a worker can decline participation in the PPP at any time during their employment, removing the word "we" from the form in order to avoid confusion as to the source of the document, and whether a statement of current law regarding payment for treatment outside the chain of referrals should be included in the form.

Chairman Weisz emphasized that the form was intended to be concise and written in plain language without excessive legal terminology. The Chairman encouraged the Board and the attendees of the meeting to submit suggestions for the form to Assistant Counsel Darrell Widen and advised that the Commission would continue to make revisions to the form. Mr. McAndrew also distributed an edited copy of the proposed form with proposed revisions.

Chairman Weisz then opened the meeting for any new business. The Board discussed the status of approval for PPP's by the Department of Insurance and also some of the approval requirements that are set forth in Public Act 97-18. There was also an inquiry as to whether there has been provisional approval issued by the Department to some PPP's.

Chairman Weisz advised that the next officially scheduled meeting of the Board was set for December, but encouraged that the Board set another earlier meeting for some time in October. The Board agreed to set a meeting for a time in mid-October.

Upon motion made by Mr. Smolk, seconded by Dr. Bernstein, and unanimously carried, the meeting was adjourned at 10:50 am..